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INQUIRE=DOC17D
ITEM NO=00274857

ENVELOPE

CDSN = LGX064 MCN = 92073/10457 TOR = 920730430
RTTUZYUW RUEKJCS2632 0730432-UUUU--RUEALGX.
ZNR UUUUU

HEADER

R 130432Z MAR 92
FM JOINT STAFF WASHINGTON DC
INFO RUEADWD/OCSA WASHINGTON DC
RUEAHQA/CSAF WASHINGTON DC
RUEADWD/PTC WASH DC
RUFGAID/USEUCOM AIDES VAIHINGEN GE
RUCGRRC/NATS NRRC PENTAGON WASH DC
RHDLCNE/CINCUSNAVEUR LONDON UK//N2/N24//
RUEOACC/CDRPSYOPGP FT BRAGG NC//AORC-POG-SB//
RUCQVAB/USCINCSOC INTEL OPS CEN MACDILL AFB FL
RUQYSDG/FOSIF ROTA SP
RUEOFAA/COMJSCC FT BRAGG NC//J2//
RULKQAN/MARCORINTCEN QUANTICO VA
RUSNNOA/USCINCEUR VAIHINGEN GE
RUFTAKA/CDR USAINTELCRE HEIDELBERG GM
RUEALGX/SAFE
RUEADDS/DITDS

R 111155Z MAR 92
FM AMEMBASSY DAKAR
TO RUEHC/SECSTATE WASHDC 8922
INFO RUEHAB/AMEMBASSY ABIDJAN 0180
RUFHLD/AMEMBASSY LONDON 1994
RUFHFR/AMEMBASSY PARIS 3042

BT

CONTROLS

UNCLAS SECTION 01 OF 07 DAKAR 02632

ABIDJAN FOR AGATT AND AFDB:MNEDELCOVITCH

DEPT ALSO FOR S/IL

DEPT PASS AID/AFR/SWA

E.O. 12356: N/A

/***** THIS IS A COMBINED MESSAGE *****/

BODY

TAGS: ECON, EAGR, EAID, EAIR, EFIN, EFIS, EIND, ELAB,

- EPET, SG

SUBJ: SENEGAL ECON WRAP-UP, MARCH 6

REF: DAKAR 00315

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1. PLAN TO ESTABLISH SENEGALESE-OWNED "NATIONAL BANK"

ON JANUARY 25 LEADING BUSINESSMAN AND HEAD OF THE EMPLOYERS' ASSOCIATION MOCTAR SOW ANNOUNCED THAT SUBSCRIPTIONS ARE OPEN UNTIL APRIL 30 IN AN EFFORT TO OBTAIN CAPITAL OF CFAF 2.5B (USDOLS 9.25M) TO ESTABLISH "NATIONAL BANK SENEGAL" (IN INTER/ATIONAL STYLE, THE TITLE WAS GIVEN IN ENGLISH, NOT IN FRENCH). SOW NOTED THAT PREVIOUS ATTEMPTS TO ESTABLISH AN ALL-SENEGALESE BANK HAD FAILED. JOURNALISTS RECALLED THAT THE PREVIOUS EMPLOYERS' OFFER TO TAKE UP 30 PCT OF THE RESTRUCTURED BIAO-SENEGAL HAD NOT BEEN ACCEPTED.

THE PROPOSAL IS FOR 51-60 PCT OF CAPITAL TO BE HELD BY SENEGALESE PRIVATE INVESTORS, 10 PCT BY THE GOS, 10 PCT

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BY THE CENTRAL BANK (BCEAO) AND 10-19 PCT BY A FOREIGN PARTNER (AS YET UNIDENTIFIED). THE PLAN APPEARS TO HAVE BEEN BASED ON WORK DONE PREVIOUSLY IN AN UNSUCCESSFUL EFFORT TO CREATE A "CREDIT NATIONAL DE SENEGAL" TO MANAGE ASSETS OF BANKS CLOSED DURING THE 1988-1990 CLEANUP OF THE SECTOR.

THE MARKETING PLAN CALLS FOR MINIMUM INVESTMENT PER SHAREHOLDER OF CFAF 100,000 (USDOLS 360) AND FOR THE BANK TO TURN PROFITS FROM THE START. IT SETS AN AMBITIOUS GOAL OF BETWEEN 2.5-15 PCT OF MARKET SHARE BY THE END OF THE 5TH YEAR; AT THAT TIME IT IS PREDICTED TO HAVE 50-74 EMPLOYEES AND REAL ESTATE ASSETS WORTH CFAF 960M (USDOLS 3.5M).

/***** BEGINNING OF SECTION 002 *****/
C O R R E C T E D C O P Y - T E X T

E.O. 12356: N/A

SCW WAS ACCOMPANIED BY NEW CHAMBER OF COMMERCE PRESIDENT LAMINE NIANG AND BY SECRETARY GENERAL SERIGNE NDONGO OF THE ASSOCIATION OF SHOPKEEPERS AND INDUSTRIALISTS (UNACOIS, HEAVILY REPRESENTED IN THE NEW CHAMBER). NDONGO USED THE OPPORTUNITY IN FINE POPULIST FORM TO SCOLD ESTABLISHED BANKS FOR THEIR ALLEGED FAILURE TO FINANCE LOCAL BUSINESS; HE ALSO BLAMED BANKS' RELUCTANCE ON "MULTINATIONALS WHO WANT TO DO AWAY WITH THE INFORMAL SECTOR." NDONGO SUGGESTED THE CREATION OF AN UNACOIS FUND TO GUARANTEE LOANS TO ITS MEMBERS, THOUGH HE APPARENTLY HAS NO SOURCE OF FUNDING.

2. BCCI DAKAR - SIGNS OF LIFE

SOME JOURNALISTS AT MOCTAR SOW'S JANUARY 25 MEETING (ABOVE) WERE CONFUSED INITIALLY, FOR SOW BEGAN BY MENTIONING A PROPOSAL OF THE AFRICAN DEVELOPMENT BANK FOR THE CREATION OF A HOLDING COMPANY TO MANAGE THE WEST AFRICAN ASSETS OF THE FAILED BCCI.

THE "CAFARD LIBERE" OF JAN 22 REPORTED THAT THE DAKAR BRANCH OF BCCI DAKAR HAD CONTINUED TO FUNCTION UNDER A GOS-APPOINTED ADMINISTRATOR DESPITE LONDON LIQUIDATION PROCEEDINGS, WITH TENTATIVE EFFORTS TO COLLECT LOANS, PLACEMENT OF FUNDS ON THE BCEAO'S MONEY MARKET, AND RE-ESTABLISHMENT OF ITS COMPUTER SYSTEM.

"LE SOLEIL" OF FEBRUARY 6 REPORTS THAT THE AFRICAN DEVELOPMENT BANK IS NEGOTIATING A DEAL FOR A NIGERIAN TRUST FUND TO TAKE OVER THE 70 PCT SHARE OWNERSHIP OF THE

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EMIR OF ABU DHABI, CONVERTING BCCI INTO THE "AFRICAN BANK OF FOREIGN COMMERCE" (BACE). "LE SOLEIL" CONFIRMED A PREVIOUS "CAFARD" REPORT THAT THE DAKAR OFFICE HELD ASSETS OF CFAF 9B (USDOLS 33M) WITH LIABILITIES OF ONLY 5B (18.5M).

3. CALLS FOR INCOME TAX ROLL-BACK

WEEKLIES "WAL FADJRI" AND "LA TRIBUNE" IN THE LAST WEEK OF JANUARY POLITICKED FOR A ROLL-BACK OF INCOME TAX REFORMS, "LEAKING" A JANUARY 7 FINANCE MINISTRY REPORT SAID TO ADVOCATE ELIMINATING THE SINGLE TAX SCHEDULE ESTABLISHED TWO YEARS AGO FOR PERSONAL INCOME TAX. UNIONS OPPOSE THE REFORM, CALLING FOR A RETURN TO A SYSTEM OF NO FEWER THAN 8 SCHEDULES FOR DIFFERENT TYPES OF INCOME, WHICH THEY ASSERT WOULD BENEFIT THE LESS WEALTHY AND THOSE WITH LARGER FAMILIES.

THE PAPERS ASSERTED THAT THOSE WHO EARN LESS THAN CFAF 67,000 IN GROSS MONTHLY INCOME WOULD BE EXEMPT FROM TAX UNDER SUCH A ROLLBACK. THEY ASSERT THAT THE FINANCE MINISTRY HAS BEEN NEGOTIATING THE MATTER WITH THE UNIONS, AND THERE IS A PROSPECT THAT THE OVERALL INCOME TAX TAKE COULD BE LOWERED BY CFAF 2.5B (USDOLS 9.25M). GOS OFFICIALS PRIVATELY DISMISSED THE CLAIMS BUT THEN DECLINED TO DISCUSS THE MATTER WITH EMBASSY DAKAR AS TOO CONTROVERSIAL.

4. GOS FINDS MONEY FOR SALARY ADJUSTMENTS

ON JANUARY 24 UNDER THE HEADLINE "THE GOVERNMENT KEEPS ITS PROMISES" QUASI-OFFICIAL DAILY "LE SOLEIL" PUBLISHED A FINANCE MINISTRY ANNOUNCEMENT THAT CFAF 3.5B (USDOLS 13M) HAD BEEN MADE AVAILABLE TO PAY SALARY READJUSTMENTS

/***** BEGINNING OF SECTION 003 *****/
DUE TO 14,600 CIVIL SERVANTS, INCLUDING 7,400 TEACHERS. IN MOST CASES LUMP SUM PAYMENTS WERE MADE WITH FEBRUARY 1 SALARIES.

5. 91/92 HARVEST STATISTICS

AT THE END OF FEBRUARY, THE GOS RELEASED REVISED AGRICULTURAL PRODUCTION STATISTICS FOR THE 1991/92 CROP YEAR. EXCERPTS FOLLOW:

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 SENEGAL: FINAL FIGURES FOR AG. PRODUCTION 91/92 CROP YR
 (AREA IN HECTARES; YIELD IN KG; PRODUCTION IN METRIC TONS)

CROP	AREA		YIELD/HA		PRODUCTION		
	91/92	PCT CHG	KG	CHG	91/92	90/92	CHG
MILLET	679,182	1.7	673	13.3	592,505	513,934	15.3
SORGH	99,636	(42.4)	783	(7.7)	78,094	146,504	(46.7)
CORN (MAIZE)	90,632	(22.3)	1132	(0.8)	102,633	133,147	(22.9)
RICE	72,264	(0.9)	2349	9.8	169,800	181,119	(6.9)
FONIO (FINGER MILLET)	3,447	107.8	717	81.5	2474	690	258.6
SUBTOTAL CEREALS	1,145,161	(6.8)			945,506	975,394	(3.1)
PEANUTS (OIL)	843,518	(4.8)	826	7.8	697,329	678,753	2.7
PEANUTS (EATING)	28,096	2.1	964	11.3	27,087	23,831	13.7
COTTON	44,164	23.0	1177	17.3	52,000	36,005	44.4

 SOURCE: MINISTRY OF RURAL DEVELOPMENT, FEBRUARY, 1992

 6. UNIVERSITY YEAR "SAVED" BY STRIKE SETTLEMENT

STUDENTS CONTINUED SPORADIC DEMONSTRATIONS IN JANUARY, INCLUDING THE BURNIARY 20 THAT THE MONTHLY NEEDS OF CFAF 600M FOR THE UNIVERSITY BUDGET HAD BEEN FOUND, SO THAT OPERATING EXPENSES COULD BE PAID, AND THAT THE ISLAMIC DEVELOPMENT BANK MIGHT FINANCE FOUR NEW DORMITORIES. HE SAID ITALIAN ASSISTANCE WOULD OFFER VEHICLES AND EQUIPMENT.

THOUGH THERE WAS SPECULATION THAT THE SCHOOL YEAR MIGHT NOT BE SAVED, GIVEN DISRUPTIONS TO DATE, AUTHORITIES AND THE STUDENT COMMITTEE CAME TO A FACE-SAVING COMPROMISE ON FEBRUARY 11, IN TIME TO REESTABLISH A CALENDAR. THE DULY

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SIGNED COMMUNIQUE PROMISED:

/***** BEGINNING OF SECTION 004 *****/

--PAYMENT OF REGULAR OPERATING EXPENSES FOR THE UNIVERSITY;

--RECRUITMENT OF 147 ADDITIONAL TEACHERS;

--SPECIAL GRANTS OF CFAF 40M FOR ADMINISTRATION, AND ADDITIONAL SUMS FOR THE LIBRARY OF 25M FROM THE GOS AND 20M FROM FRANCE;

--A 50 PCT RISE IN THE NUMBER OF UNIVERSITY GRANTS AND A RAISE FOR MONTHLY SCHOLARSHIPS FROM CFAF 28,000 TO CFAF 30,000;

--FUNDS FOR 4 DORMITORIES IF THE ISLAMIC DEVELOPMENT BANK DID NOT COME THROUGH;

--IMPROVED BUS SERVICE AND CLINICS;

--MORE COMPUTERS, LAB EQUIPMENT, AND TEMPORARY CLASSROOM SPACE;

--AN INCREASE IN ACCEPTANCES TO SCHOOLS FOR TEACHER TRAINING AND MEDICINE; AND

-- A GUARANTEE TO STUDENTS OF THE RIGHT TO PROTEST IN ORDERLY FASHION AND TO APPEAL TO THE RADIO AND TELEVISION COUNCIL FOR MEDIA COVERAGE.

MEANWHILE, ELEMENTARY AND SECONDARY SCHOOL TEACHERS AND STUDENTS CONTINUE TO STAGE PERIODIC BOYCOTTS TO PROTEST CONDITIONS AND TEACHER SALARIES.

7. SENELEC UNION RESTIVE

LABOR LEADERS AT THE NATIONAL ELECTRICITY COMPANY (SENELEC) RENEWED RHETORICAL ATTACKS ON MANAGEMENT IN FEBRUARY, COMPLAINING THAT SENELEC HAD PAID CFAF 121M (USDOLS 435,000) FOR A LAVISH SPREAD IN THE MONTHLY "JEUNE AFRIQUE ECONOMIQUE" AND HAD PAID A CONSULTANT OUTRAGEOUS FEES FOR INFERIOR WORK. THEY SAID SENELEC WAS CFAF 8.6B (USDOLS 31M) IN ARREARS TO SUPPLIERS WHILE HOLDING CFAF 1.5B IN A TERM ACCOUNT AT A LOCAL BANK AND WAS CARRYING CFAF 20B (USDOLS 72M) IN UNCOLLECTED BILLS. THEY LISTED RUN-DOWN GENERATING PLANTS IN KEY AREAS UNABLE TO RUN NEAR CAPACITY.

SENELEC MANAGEMENT REPLIED THAT THE GOS, NOT SENELEC,

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PLANNED MOST INVESTMENT IN CAPACITY. AS FOR THE EXPERT, HE HAD BEEN TAKEN ON AFTER THE PRESIDENCY HAD TOLD SENELEC AND OTHER PARASTATALS TO TRY TO LOWER FACTOR COSTS; MANAGEMENT ASSERTED THAT HE HAD MADE VALID SUGGESTIONS BEFORE AROUSING CONTROVERSY WITH A PROPOSAL FOR PERSONNEL RESTRUCTURING. NONE OF SENELEC'S DEBTS RAN BEYOND THE USUAL 60-DAY TERMS AND PAYMENTS WERE SCHEDULED; THE SUM HELD AT A LOCAL BANK WAS HALF THE AMOUNT CLAIMED, AND GENERATED INTEREST USED FOR CASHFLOW WHILE NEGOTIATING WITH DONORS FOR LOANS. MANAGEMENT MADE NO COMMENT ABOUT UNCOLLECTED BILLS.

8. SETTLEMENT WITH HEALTH WORKERS

LEADERS OF HEALTH WORKERS' UNION SUTSAS THREATENED STRIKES ON FEB 18-20 AND FEB 25-28 BUT REACHED AGREEMENT AFTER FEB 13-17 NEGOTIATIONS WITH HEALTH MINISTER ASSANE DIOP AND OFFICIALS. THE GOS GRANTED ALL HEALTH WORKERS A PREMIUM FOR DIFFICULT WORK AND SOME SUPERVISORS ARE TO RECEIVE TRAVEL ALLOWANCES. NO ESTIMATE WAS MADE OF THE COST OF THE SETTLEMENT. THE GOS PROMISED TO MAKE UP

/***** BEGINNING OF SECTION 005 *****/
ARREARS IN BUDGETS FOR PRINCIPAL HOSPITALS AT THE RATE OF CFAF 220M (USDOLS 800,000) PER MONTH. SUTSAS' GENERAL COMPLAINTS ABOUT INSUFFICIENT FACILITIES WERE MET BY A GOS UNDERTAKING TO INCREASE THE PERCENTAGE OF THE GOS BUDGET FOR HEALTH FROM 5.25 PCT OF ALL EXPENDITURE CURRENTLY; THE PERCENTAGE FOR HEALTH IS TO RISE 0.5 PCT ANNUALLY.

9. FISHERIES: AFRICAMER IN TROUBLE WITH LABOR CODE

PRIVATELY OWNED FISH PROCESSOR AND EXPORTER AFRICAMER, RANKED NO. 11 AMONG AFRICA'S EXPORTERS BY JEUNE AFRIQUE, HAS BEEN BLOCKED IN ITS NOVEMBER 1991 EFFORT TO LAY OFF 68 WORKERS IN ORDER TO CUT COSTS. THE FIRM HAS BEEN STRUGGLING TO OVERCOME LOSSES FROM A MAY, 1991 FIRE AND THE COST OF HEAVY NEW INVESTMENT AND EXPATRIATE TECHNICAL ADVICE.

THE CASE TOUCHES DIRECTLY UPON IBRD CONCERNS ABOUT THE LABOR CODE, SINCE AFRICAMER SOUGHT THE REDUCTION BECAUSE OF "ECONOMIC FACTORS," A RATIONALE TO BE SIGNIFICANTLY EXPANDED IN THE REDRAFTED LABOR CODE (APPROVED BY MINISTERS BUT NOT YET PUT BEFORE THE NATIONAL ASSEMBLY).

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ON JANUARY 13 THE LABOR MINISTER SET ASIDE PREVIOUS PERMISSION FOR THE LAYOFFS, IN WHICH AN INSPECTOR HAD CITED "AN UNFAVORABLE ECONOMIC ENVIRONMENT, ACUTE FINANCIAL DIFFICULTIES AND A HIGH DEBT LEVEL -- DUE TO PREVIOUS POOR MANAGEMENT."

10. PRIVATIZATION: SONADIS

ACCORDING TO AN EARLY JANUARY NUMBER OF "CAFARD LIBERE," PARASTATAL FOOD RETAIL CHAIN SONADIS WAS GIVEN TO ALASSANE DIOP EFFECTIVE JANUARY 1 ON A MANAGEMENT CONTRACT VALID FOR 4 YEARS WITH OPTION TO BUY, ON THE CONDITION THAT ALL EMPLOYEES BE KEPT ON. DIOP IS PROPRIETOR OF A TOMATO PASTE FACTORY. THE TERMS OF THE CONTRACT WERE NOT ANNOUNCED, THOUGH "CAFARD" SAID IT WAS UNDERSTOOD THAT DIOP AND PARTNERS WERE TO NEGOTIATE A REPAYMENT PLAN WITH CREDITORS AND TO RECAPITALIZE THE COMPANY WITH CFAF 300M (USDOLS 1.1M). SALARIES DUE DEC. 31 WERE PAID ONLY IN MID-JANUARY.

ON FEBRUARY 7, THE PAPER SAID, DIOP CONVENED EMPLOYEES TO CONFIRM THAT NONE WOULD BE LAID OFF. HE SAID SONADIS HAD ACCUMULATED DEBTS OF CFAF 5B (USDOLS 18M) BY 1991; CANADIAN AID OF CFAF 500M (USDOLS 1.8M) HAD BEEN PROVIDED, WITH LITTLE EFFECT. THE GOS HAD PROVIDED CFAF 781M (USDOLS 2.8M) THROUGH CPSP, THE PARASTATAL RICE IMPORTER, AND A DIRECT SUBSIDY OF CFAF 160M (USDOLS 144,000). SONADIS WORKERS WERE HAPPY TO HAVE JOBS BUT WERE STILL WAITING FOR FEBRUARY SALARIES.

11. CONSTRUCTION BEGINS IN KUWAIT

ON DEC. 22 LABOR MINISTER OUSMANE NGOM SIGNED WITH KUWAITI AUTHORITIES A CONTRACT FOR 7 SENEGALESE FIRMS TO REHABILITATE 19 SCHOOLS, FOR PAYMENT OF USDOLS 15M. WORK

/***** BEGINNING OF SECTION 006 *****/
WAS TO BEGIN IN FEBRUARY AND MUST BE COMPLETED IN 6 MONTHS.

12. ICS (CHEMICALS EXPORTER) MAKING FIRST PROFITS

IN 1991 THE CHEMICAL INDUSTRIES OF SENEGAL (ICS) TURNED A PROFIT OF CFAF 410M (USDOLS 1.5M), THE FIRST IN 6 YEARS OF OPERATIONS AND CFAF 75B (USDOLS 270M) IN INVESTMENT. IN 1991 ICS PRODUCED 255,000 MT OF PHOSPHORIC ACID WORTH

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CFAF 32B (USDOLS 115M), ESSENTIALLY ALL OF WHICH WAS EXPORTED TO INDIA. IT PRODUCED 200,000 MT OF FERTILIZER, WORTH CFAF 10B (USDOLS 36M). ONLY 20,000 MT REMAINED IN SENEGAL; 110,000 MT WENT TO OTHER AFRICAN COUNTRIES.

IN 1985 ICS SUCCEEDED SENEGAL'S FAILED PARASTATAL FERTILIZER FACTORY SIES WHICH CARRIED CFAF 5B (USDOLS 18M) IN DEBT. ICS WAS FINANCED BY FRANCE, THE EUROPEAN INVESTMENT BANK, THE IBRD'S IDA AND THE AFRICAN DEVELOPMENT BANK. SHARES BELONGED 28 PCT TO THE GOS, 20 PCT TO INDIA, 10 PCT EACH TO COTE D'IVOIRE, NIGERIA AND CAMEROUN, 12 PCT TO VARIOUS PRIVATE PARTIES, AND 10 PCT TO THE FRENCH FIRM EMC. RESTRUCTURING IN 1991 REDUCED FIXED COSTS FROM 35 PCT TO 23 PCT OF THE ANNUAL BUDGET, PRINCIPALLY BY "NEGOTIATED DEPARTURES" OF 126 WORKERS AT THE COST OF CFAF 600M (USDOLS 2.2M).

13. PETROLEUM MARKETING: ELF BUYS OUT BP; SHELL STAYS

IN LATE FEBRUARY FRENCH PETROLEUM COMPANY ELF AQUITANE ANNOUNCED IN ABIDJAN THAT IT WOULD ASSUME BRITISH PETROLEUM'S OPERATIONS IN BURKINA FASO, CAMEROON, COTE D'IVOIRE, GAMBIA, GABON, GHANA, MALI, MAURITANIA, NIGER, SENEGAL, TOGO AND TUNISIA. ELF WAS IN BUSINESS ALREADY IN NIGERIA, CONGO AND ZAIRE. IT HOLDS 30 PCT OF THE SHARES IN SENEGAL'S SAR REFINERY; BP HAS 11.8 PCT MORE.

SHELL OIL'S REGIONAL DIRECTOR TOLD THE PRESS ON MARCH 3 THAT IT WOULD REMAIN IN SENEGAL. SHELL HAS 28 PCT OF SENEGAL'S MARKET, SECOND ONLY TO TOTAL'S 30 PCT. IN 1989 SHELL SENEGAL RECAPITALIZED WITH USDOLS 10M TO OFFSET SOME OF ITS ACCUMULATED LOSSES OF CFAF 3.5B (USDOLS 12.6M). IT ALSO TOOK OVER TEXACO'S LOCAL NETWORK. SHELL PLANS CLOSER MANAGEMENT OF ITS ACCOUNTS PAYABLE ("SUD HEBDO" ASSERTS THE GOS OWES CFAF 700M (USDOLS 2.5M)). IT WILL CHANGE ITS PRODUCT MIX, WHICH PROBABLY MEANS DROPPING ITS REPRESENTATION OF FRENCH FIRM CAMPING GAZ.

14. GOS AND EMPLOYERS RESUME CONSULTATIONS

AFTER A YEAR'S LAPSE, ON MARCH 4 PRIME MINISTER THIAM PRESIDED OVER THE FIRST OF WHAT ARE INTENDED TO BE QUARTERLY CONSULTATIONS OF THE GOS, THE EMPLOYERS' COUNCIL AND THE CHAMBER OF COMMERCE (APRIL, JULY WITH ATTENDANCE OF LABOR UNION REPRESENTATIVES, OCTOBER AND DECEMBER). THE SESSION WAS FORMAL, LASTING FROM 9 A.M. TO 2 P.M. BUSINESSMEN COMPLAINED ABOUT DEPOSITS FROZEN

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IN FAILED BANKS, A HEAVY TAX BURDEN, THE GOS SUSPENSION OF EXPORT PREMIUMS, GOS ARREARS, AND ADMINISTRATIVE PROBLEMS WITH CUSTOMS DRAW-BACK PROCEDURES.

ACCORDING TO "SUB HEBDO," WHEN DISCUSSING HIGH HIGH

/***** BEGINNING OF SECTION 007 *****/
SHIPPING COSTS, BUSINESS REPS CALLED SHIPPERS' COUNCIL COSEC AND THE NATIONAL FLAG LINE COSENAM "EXPENSIVE AND USELESS"; THEY COMPLAINED ABOUT GOS GENEROSITY IN GRANTING FISHING LICENSES AND FISH PROCESSING INVESTMENT OPPORTUNITIES TO KOREAN INTERESTS (E.G., THE STRIKE-RIDDEN FISH PROCESSOR AFRICAN SEAFOOD).

THE AGREED MINUTE PUBLISHED IN "LE SOLEIL" ON MARCH 6 NOTES THAT THE CUSTOMS STAMP TAX ("TIMBRE DOUANIER") WILL BE DISCONTINUED AS OF JULY 1, 1992. CONSULTATIONS, STUDIES, AND FURTHER WRITTEN SUBMISSIONS ARE CALLED FOR IN EACH OF THE AREAS OF COMPLAINT.

15. CLUB MED PLANE CRASH IN CASAMANCE

ON FEBRUARY 9 A PLANE CARRYING FRENCH TOURISTS TO THE CAP SKIRRING CLUB MEDITERRANNE RESORT CRASHED JUST BEFORE DAWN. THIRTY-ONE PERSONS DIED, INCLUDING AN AMERICAN PILOT AND A NORWEGIAN CO-PILOT, AND 28 WERE INJURED. THE CONVAIR CV-640 HAD BEEN CHARTERED BY AIR SENEGAL FROM THE GAMBIAN OPERATOR "GAMCREST." CLUB MED PRESIDENT GILBERT TRIGAND FLEW TO SENEGAL TO OVERSEE THE EVACUATION TO FRANCE OF THOSE ABLE TO TRAVEL. INVESTIGATORS FROM THE FAA, THE GOS, FRANCE AND GAMBIA EXAMINED THE WRECKAGE. THERE WAS A BRIEF HUE AND CRY IN THE PRESS ABOUT THE PLANE'S INSURANCE AND THE ALLEGED RESPONSIBILITIES OF THE VARIOUS PARTIES TO THE CHARTER.

THE "SOLEIL" OF MARCH 5 ASSERTED THAT THE PLANE HAD BEEN PROPERLY INSURED, INCLUDING COVERAGE FOR WAR RISKS; IT QUOTED AIR SENEGAL'S LAWYERS DENYING LIABILITY FOR THE CRASH; AND IT DECLARED THAT AN AMERICAN EXPERT HAD FOUND NO EVIDENCE OF AN EXPLOSION ON BOARD BEFORE THE CRASH.

SHIRLEY
ADMIN
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